HOUSING NOW

Charlottetown CA

Canada Mortgage and Housing Corporation

Date Released: First Quarter 2007

Construction Activity Remains Strong

In the fourth quarter, total urban starts on the Island reached 145 units which amounted to an increase of 45 units compared to the same period in 2006. This increase in the fourth quarter was the result of more housing activity in both the Charlottetown and Summerside areas. In the Charlottetown area, 101 new housing units were started in the fourth quarter, an increase of 22 units when compared to the 79 starts recorded during the same period the previous year. This increase was the result of 7 additional multiple starts, and 15 more single starts for a total of 82 new units. On an annual basis total urban starts in PEI reached 484 units in 2007 compared to 523 units in 2006. This moderate decline was the result of a decreased level of construction activity in the Charlottetown area.

Figure 1

Starts in Charlottetown Declined in 2007

Housing Starts Jan-Dec 1998-2007

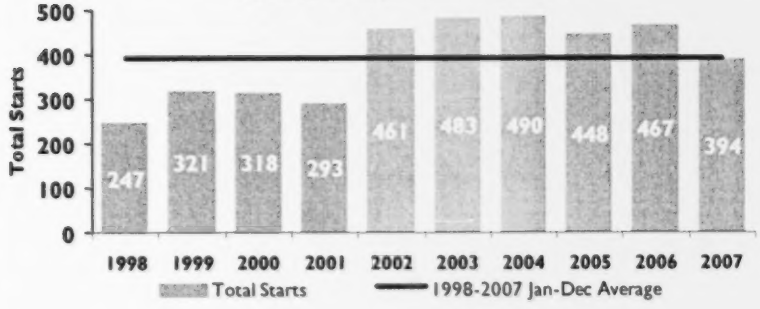


Table of contents

1 Construction Activity Remains Strong

2 MLS® Sales Slowed in the Fourth Quarter

4 Map of Charlottetown Total Number of Starts

5 Index of Tables

6 Report Tables (6-16)

17 Glossary of Terms, Definitions, and Methodology

SUBSCRIBE NOW!

Access CMHC's Market Analysis Centre publications quickly and conveniently on the Order Desk at **www.cmhc.ca/housingmarketinformation.** View print, download or subscribe to get market information e-mailed to you on the day it is released. New ! CMHC's electronic suite of national standardized products is now available for free.

Canada

CMHC SCHL

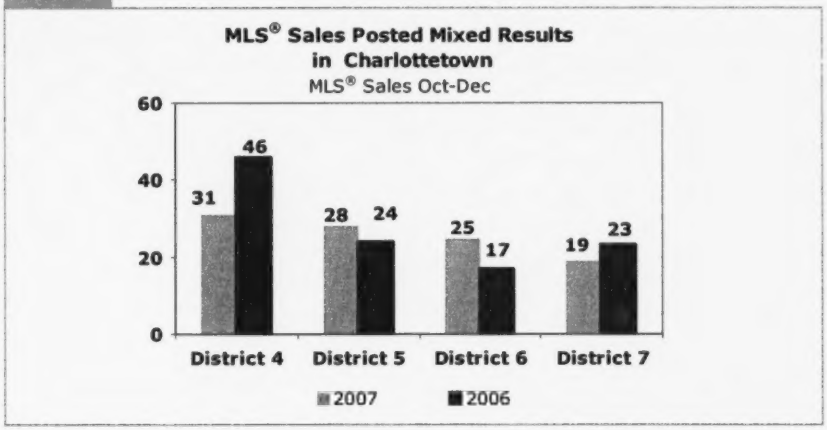
HOME TO CANADIANS

Multiple starts in the fourth quarter of 2007 reached 19 units compared to 12 units during the same period in 2006. This increase was the result of additional apartment starts when compared to the same period in the previous year. The 19 units started in the fourth quarter comprised 8 semis and 11 apartment style units, compared to the fourth quarter of 2006, when all 12 multiple starts were semi-detached units. On an annual basis, the biggest change in 2007, when compared to 2006, was the fact that the there were no purpose built condominiums in 2007 which resulted in far fewer apartment units. In 2006, total apartment starts reached 143 units, with almost 90 of these units being directed towards the condominium market ,while in 2007 there were only 35 apartment units started and fewer than 10 of these where for the homeownership market.

In Charlottetown City proper, total starts rose by nine units in the fourth quarter to 36 units. Single starts slowed marginally during this period to 19 units in 2007 compared to 21 units in 2006. Semi-detached starts saw no change, posting 6 units in the fourth quarters of 2006 and 2007. Apartment starts saw the only significant change in the fourth quarter reaching 11 units compared to no activity in 2006. Stratford recorded more single starts in the fourth quarter with 27 units, up from 15 units during the same period in 2006. As was the case in each of the last two years there were no multiple starts in the fourth quarter. The Cornwall area also posted more starts in the fourth quarter of 2007 with 10 units last year compared to 5 in 2006.

On an annual basis, total housing starts in Charlottetown fell to 394 units, a decrease of 73 units from the 467 units recorded during the same period in 2006. The slowdown in activity was the result of fewer apartment style units as only 35 units were started in 2007, compared to 143 units in 2006. In 2007, single starts rose modestly from the 2006 level of 276 units to reach 295 starts. Semi-detached starts in the Capital region reached 64 units in 2007, the second highest level on record, and well above the 10-year average of 45 units per year. The strong trend towards semi-detached starts is expected to continue as this form of housing remains popular given that it fits into the budget of many first-time buyers.

Figure 2

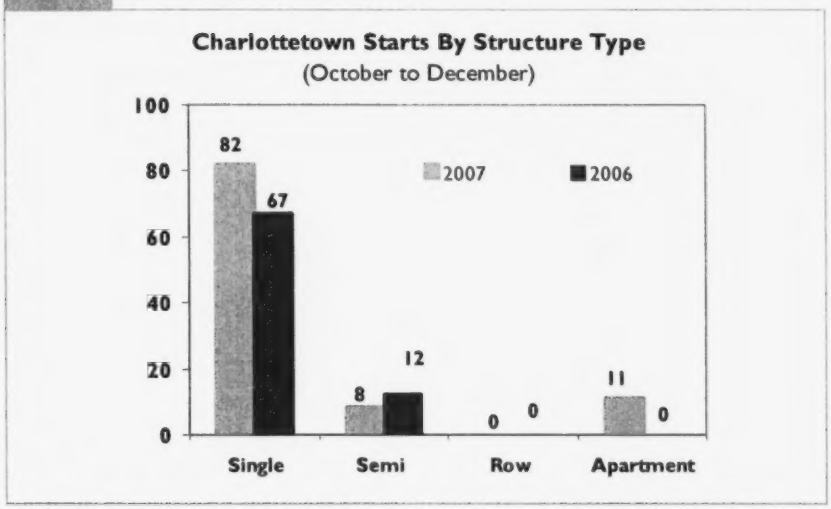


MLS® Sales Slowed in the Fourth Quarter

MLS® sales in the Capital region were down 10 per cent in the fourth quarter of 2007, when compared to the same period of 2006. It is expected that this decline seen in the fourth quarter will be the start of the local market returning to more sustainable levels. However, on an annual basis MLS® sales in 2007 actually set a new record high for the area with 650 units sold. Since 2002 the resale market in the Charlottetown area has been performing above average both in terms of increases in unit sales and average price. In fact record highs have been set in three of the past five years for unit sales, and over this period the average sale price continued to increase. This level of activity has been spurred on in part by strong employment growth, positive migration and relatively low interest rates. Also, the rising cost of new home construction during this period has positively influenced the resale market, as the price gap between the two has continued to widen. The gap in some cases is such that potential home buyers may opt for an existing home due to the substantial difference in price.

New listings increased slightly in the fourth quarter, and on an annual basis are only slightly behind the near record high level set in 2006. The main reason for the continued strength in new listings is that current homeowners continue to list

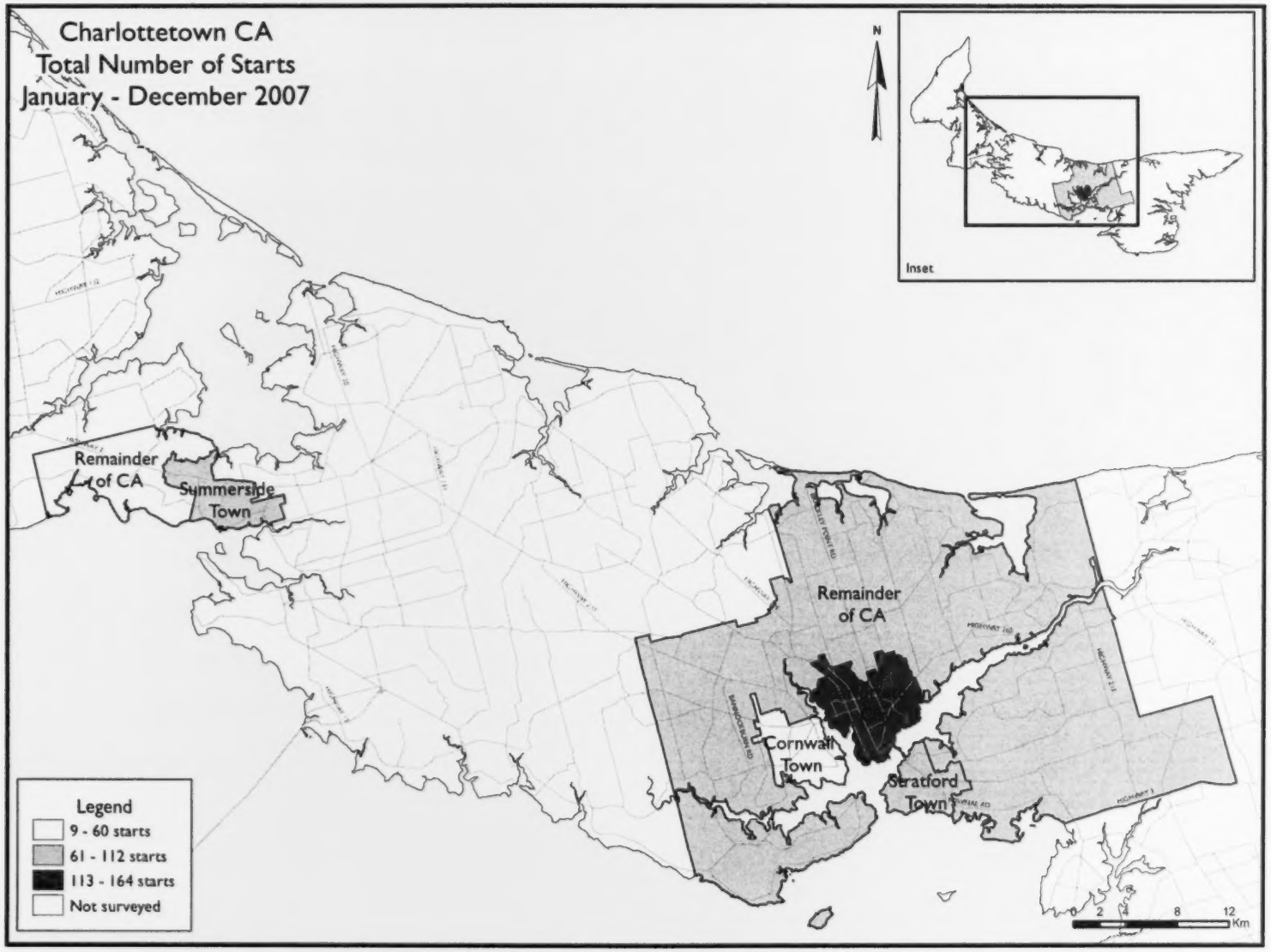
Figure 3



their properties in an effort to realize the profits from the recent appreciation. This rise in new listings has provided potential homebuyers with greater choice when purchasing a home. It has also removed the sense of urgency from the transaction that many buyers may have experienced in recent years as a result of the low levels of listings in previous years. The end result is that the average days on market rose to 76 days in 2007, up from 73 and 58 days in 2006 and 2005 respectively.

MLS® sales in the Charlottetown area posted mixed results in the fourth quarter of 2007. The Cornwall area, District 6, continued to remain popular with buyers as seen by the 47 per cent increase in sales over the same period in 2006. Charlottetown City, District 4, recorded notably less activity in 2007 with a 34.8 per cent drop in sales from 2006. District 7, the Stratford area, also posted a sharp decline in the fourth quarter with sales dropping by more than 20 per cent compared to 2006. On an annual basis Districts 6 and 7 saw MLS® unit sales increase by more than 19 and 31 per cent respectively. Conversely sales declined in District 4 by more than 12 per cent and in District 5 by 10.5 per cent.

In the fourth quarter the average sale price increased in two of the four of the districts. District 6 posted the largest increase in average sale price during the quarter, advancing more than 20 per cent to $132,312. District 5 also saw a significant increase in the fourth quarter with the average price rising by almost 5 per cent to $168,839. On an annual basis the average price of a home in Charlottetown rose in all areas districts. As was the case in the fourth quarter District 6 posted the largest advance in 2007 with a 16 per cent increase. Districts 4 and 7 also posted significant increases with the average sale price rising by more than 8 and 4 per cent respectively.


Charlottetown CA
Total Number of Starts
January - December 2007
N
Inset
Remainder of CA
Summerside Town
Remainder of CA
Cornwall Town
Stratford Town
Legend
9 - 60 starts
61 - 112 starts
113 - 164 starts
Not surveyed
0 2 4 8 12
Km

HOUSING NOW REPORT TABLES

Available in ALL reports:

1	Housing Activity Summary of CMA
2	Starts by Submarket and by Dwelling Type – Current Month or Quarter
2.1	Starts by Submarket and by Dwelling Type – Year-to-Date
3	Completions by Submarket and by Dwelling Type – Current Month or Quarter
3.1	Completions by Submarket and by Dwelling Type – Year-to-Date
4	Absorbed Single-Detached Units by Price Range
5	MLS® Residential Activity
6	Economic Indicators

Available in SELECTED Reports:

1.1	Housing Activity Summary by Submarket
1.2	History of Housing Activity (once a year)
2.2	Starts by Submarket, by Dwelling Type and by Intended Market – Current Month or Quarter
2.3	Starts by Submarket, by Dwelling Type and by Intended Market – Year-to-Date
2.4	Starts by Submarket and by Intended Market – Current Month or Quarter
2.5	Starts by Submarket and by Intended Market – Year-to-Date
3.2	Completions by Submarket, by Dwelling Type and by Intended Market – Current Month or Quarter
3.3	Completions by Submarket, by Dwelling Type and by Intended Market – Year-to-Date
3.4	Completions by Submarket and by Intended Market – Current Month or Quarter
3.5	Completions by Submarket and by Intended Market – Year-to-Date
4.1	Average Price ($) of Absorbed Single-Detached Units

SYMBOLS

n/a	Not applicable
*	Totals may not add up due to co-operatives and unknown market types
**	Percent change > 200%
-	Nil
--	Amount too small to be expressed
SA	Monthly figures are adjusted to remove normal seasonal variation

Table 1a: Housing Activity Summary of Charlottetown CA Fourth Quarter 2007

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q4 2007	82	8	0	0	0	0	0	11	101
Q4 2006	67	12	0	0	0	0	0	0	79
% Change	22.4	-33.3	n/a	n/a	n/a	n/a	n/a	n/a	27.8
Year-to-date 2007	295	64	0	0	0	12	0	23	394
Year-to-date 2006	276	44	0	0	0	24	4	119	467
% Change	6.9	45.5	n/a	n/a	n/a	-50.0	-100.0	-80.7	-15.6
UNDER CONSTRUCTION									
Q4 2007	98	10	0	0	0	0	0	11	119
Q4 2006	78	14	0	0	0	24	0	65	181
% Change	25.6	-28.6	n/a	n/a	n/a	-100.0	n/a	-83.1	-34.3
COMPLETIONS									
Q4 2007	112	28	0	0	0	12	0	12	164
Q4 2006	105	18	0	0	0	4	0	50	177
% Change	6.7	55.6	n/a	n/a	n/a	200.0	n/a	-76.0	-7.3
Year-to-date 2007	275	68	0	0	0	36	0	77	456
Year-to-date 2006	271	72	0	0	0	4	30	50	427
% Change	1.5	-5.6	n/a	n/a	n/a	**	-100.0	54.0	6.8
COMPLETED & NOT ABSORBED									
Q4 2007	1	0	0	0	0	6	0	27	34
Q4 2006	1	2	0	0	0	0	0	6	9
% Change	0.0	-100.0	n/a	n/a	n/a	n/a	n/a	**	**
ABSORBED									
Q4 2007	112	28	0	0	0	18	0	19	177
Q4 2006	105	16	0	0	0	4	0	44	169
% Change	6.7	75.0	n/a	n/a	n/a	**	n/a	-56.8	4.7
Year-to-date 2007	275	70	0	0	0	30	0	56	431
Year-to-date 2006	270	72	0	0	0	4	32	44	422
% Change	1.9	-2.8	n/a	n/a	n/a	**	-100.0	27.3	2.1

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1b: Housing Activity Summary of Summerside CA Fourth Quarter 2007									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q4 2007	8	6	12	0	0	0	7	11	44
Q4 2006	10	0	11	0	0	0	0	0	21
% Change	-20.0	n/a	9.1	n/a	n/a	n/a	n/a	n/a	109.5
Year-to-date 2007	31	16	25	0	0	0	7	11	90
Year-to-date 2006	33	12	11	0	0	0	0	0	56
% Change	-6.1	33.3	127.3	n/a	n/a	n/a	n/a	n/a	60.7
UNDER CONSTRUCTION									
Q4 2007	11	12	12	0	0	0	0	11	46
Q4 2006	11	0	9	0	0	0	0	0	20
% Change	0.0	n/a	33.3	n/a	n/a	n/a	n/a	n/a	130.0
COMPLETIONS									
Q4 2007	8	2	7	0	0	0	7	0	24
Q4 2006	11	6	2	0	0	0	0	0	19
% Change	-27.3	-66.7	**	n/a	n/a	n/a	n/a	n/a	26.3
Year-to-date 2007	31	4	19	0	3	0	7	0	64
Year-to-date 2006	31	16	20	0	0	0	0	0	67
% Change	0.0	-75.0	-5.0	n/a	n/a	n/a	n/a	n/a	-4.5
COMPLETED & NOT ABSORBED									
Q4 2007	0	0	0	0	0	0	0	0	0
Q4 2006	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
ABSORBED									
Q4 2007	0	0	0	0	0	0	0	0	0
Q4 2006	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Year-to-date 2007	0	0	0	0	0	0	0	0	0
Year-to-date 2006	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
Fourth Quarter 2007

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Charlottetown City									
Q4 2007	19	6	0	0	0	0	0	11	36
Q4 2006	21	6	0	0	0	0	0	0	27
Stratford Town									
Q4 2007	27	0	0	0	0	0	0	0	27
Q4 2006	15	0	0	0	0	0	0	0	15
Cornwall Town									
Q4 2007	8	2	0	0	0	0	0	0	10
Q4 2006	5	0	0	0	0	0	0	0	5
Remainder of the CA									
Q4 2007	28	0	0	0	0	0	0	0	28
Q4 2006	26	6	0	0	0	0	0	0	32
Charlottetown CA									
Q4 2007	82	8	0	0	0	0	0	11	101
Q4 2006	67	12	0	0	0	0	0	0	79
UNDER CONSTRUCTION									
Charlottetown City									
Q4 2007	21	8	0	0	0	0	0	11	40
Q4 2006	24	8	0	0	0	24	0	47	103
Stratford Town									
Q4 2007	36	0	0	0	0	0	0	0	36
Q4 2006	15	0	0	0	0	0	0	18	33
Cornwall Town									
Q4 2007	9	2	0	0	0	0	0	0	11
Q4 2006	14	2	0	0	0	0	0	0	16
Remainder of the CA									
Q4 2007	32	0	0	0	0	0	0	0	32
Q4 2006	25	4	0	0	0	0	0	0	29
Charlottetown CA									
Q4 2007	98	10	0	0	0	0	0	11	119
Q4 2006	78	14	0	0	0	24	0	65	181

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
Fourth Quarter 2007

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
COMPLETIONS									
Charlottetown City									
Q4 2007	38	14	0	0	0	12	0	12	76
Q4 2006	35	16	0	0	0	4	0	50	105
Stratford Town									
Q4 2007	27	12	0	0	0	0	0	0	39
Q4 2006	24	0	0	0	0	0	0	0	24
Cornwall Town									
Q4 2007	7	2	0	0	0	0	0	0	9
Q4 2006	3	0	0	0	0	0	0	0	3
Remainder of the CA									
Q4 2007	40	0	0	0	0	0	0	0	40
Q4 2006	43	2	0	0	0	0	0	0	45
Charlottetown CA									
Q4 2007	112	28	0	0	0	12	0	12	164
Q4 2006	105	18	0	0	0	4	0	50	177
COMPLETED & NOT ABSORBED									
Charlottetown City									
Q4 2007	1	0	0	0	0	6	0	27	34
Q4 2006	0	2	0	0	0	0	0	6	8
Stratford Town									
Q4 2007	0	0	0	0	0	0	0	0	0
Q4 2006	1	0	0	0	0	0	0	0	1
Cornwall Town									
Q4 2007	0	0	0	0	0	0	0	0	0
Q4 2006	0	0	0	0	0	0	0	0	0
Remainder of the CA									
Q4 2007	0	0	0	0	0	0	0	0	0
Q4 2006	0	0	0	0	0	0	0	0	0
Charlottetown CA									
Q4 2007	1	0	0	0	0	6	0	27	34
Q4 2006	1	2	0	0	0	0	0	6	9

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
Fourth Quarter 2007

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
ABSORBED									
Charlottetown City									
Q4 2007	38	14	0	0	0	18	0	19	89
Q4 2006	36	14	0	0	0	4	0	44	98
Stratford Town									
Q4 2007	27	12	0	0	0	0	0	0	39
Q4 2006	23	0	0	0	0	0	0	0	23
Cornwall Town									
Q4 2007	7	2	0	0	0	0	0	0	9
Q4 2006	3	0	0	0	0	0	0	0	3
Remainder of the CA									
Q4 2007	40	0	0	0	0	0	0	0	40
Q4 2006	43	2	0	0	0	0	0	0	45
Charlottetown CA									
Q4 2007	112	28	0	0	0	18	0	19	177
Q4 2006	105	16	0	0	0	4	0	44	169

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.2: History of Housing Starts of Charlottetown CA 1998 - 2007

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
2007	295	64	0	0	0	12	0	23	394
% Change	6.9	45.5	n/a	n/a	n/a	-50.0	-100.0	-80.7	-15.6
2006	276	44	0	0	0	24	4	119	467
% Change	-8.3	-50.6	-100.0	n/a	-100.0	n/a	-75.0	**	4.2
2005	301	89	6	0	3	0	16	33	448
% Change	-9.1	64.8	-71.4	n/a	n/a	n/a	-65.2	-13.2	-8.6
2004	331	54	21	0	0	0	46	38	490
% Change	6.8	-3.6	**	n/a	n/a	n/a	35.3	-50.6	1.4
2003	310	56	6	0	0	0	34	77	483
% Change	11.9	115.4	n/a	n/a	n/a	n/a	-59.0	4.1	4.8
2002	277	26	0	0	0	0	83	74	461
% Change	16.9	8.3	n/a	n/a	n/a	n/a	**	**	57.3
2001	237	24	0	0	0	0	16	16	293
% Change	-9.9	**	n/a	n/a	n/a	n/a	-46.7	-11.1	-7.9
2000	263	6	0	0	0	0	30	18	318
% Change	15.9	50.0	n/a	n/a	n/a	n/a	-3.2	-69.0	-0.9
1999	227	4	0	0	0	0	31	58	321
% Change	47.4	-20.0	n/a	n/a	n/a	n/a	**	-25.6	30.0
1998	154	5	0	0	0	0	10	78	247

Source: CMHC (Starts and Completions Survey)

Table 2: Starts by Submarket and by Dwelling Type
Fourth Quarter 2007

Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q4 2007	Q4 2006	Q4 2007	Q4 2006	Q4 2007	Q4 2006	Q4 2007	Q4 2006	Q4 2007	Q4 2006	% Change
Charlottetown City	19	21	6	6	0	0	11	0	36	27	33.3
Stratford Town	27	15	0	0	0	0	0	0	27	15	80.0
Cornwall Town	8	5	2	0	0	0	0	0	10	5	100.0
Remainder of the CA	28	26	0	6	0	0	0	0	28	32	-12.5
Charlottetown CA	82	67	8	12	0	0	11	0	101	79	27.8

Table 2.1: Starts by Submarket and by Dwelling Type
January - December 2007

Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	% Change
Charlottetown City	89	110	40	38	0	0	35	125	164	273	-39.9
Stratford Town	91	58	18	0	0	4	0	18	109	80	36.3
Cornwall Town	23	22	4	0	0	0	0	0	27	22	22.7
Remainder of the CA	92	86	2	6	0	0	0	0	94	92	2.2
Charlottetown CA	295	276	64	44	0	4	35	143	394	467	-15.6

Source: CMHC (Starts and Completions Survey)

Table 3: Completions by Submarket and by Dwelling Type
Fourth Quarter 2007

Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q4 2007	Q4 2006	Q4 2007	Q4 2006	Q4 2007	Q4 2006	Q4 2007	Q4 2006	Q4 2007	Q4 2006	% Change
Charlottetown City	38	35	14	16	0	0	24	54	76	105	-27.6
Stratford Town	27	24	12	0	0	0	0	0	39	24	62.5
Cornwall Town	7	3	2	0	0	0	0	0	9	3	200.0
Remainder of the CA	40	43	0	2	0	0	0	0	40	45	-11.1
Charlottetown CA	112	105	28	18	0	0	24	54	164	177	-7.3

Table 3.1: Completions by Submarket and by Dwelling Type
January - December 2007

Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	% Change
Charlottetown City	93	121	40	54	0	21	95	54	228	250	-8.8
Stratford Town	64	54	18	4	0	8	18	0	100	66	51.5
Cornwall Town	32	12	4	10	0	0	0	0	36	22	63.6
Remainder of the CA	86	85	6	4	0	0	0	0	92	89	3.4
Charlottetown CA	275	272	68	72	0	29	113	54	456	427	6.8

Source: CMHC (Starts and Completions Survey)

Table 4: Absorbed Single-Detached Units by Price Range
Fourth Quarter 2007

Submarket	Price Ranges										Total	Median Price ($)	Average Price ($)
	< $100,000		$100,000 - $149,999		$150,000 - $199,999		$200,000 - $249,999		$250,000 +				
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)			
Charlottetown City													
Q4 2007	3	7.9	9	23.7	15	39.5	5	13.2	6	15.8	38	172,500	180,289
Q4 2006	0	0.0	6	16.7	20	55.6	3	8.3	7	19.4	36	180,000	190,833
Year-to-date 2007	3	3.3	18	19.6	46	50.0	9	9.8	16	17.4	92	175,000	187,022
Year-to-date 2006	1	0.8	24	19.8	61	50.4	14	11.6	21	17.4	121	165,000	185,116
Stratford Town													
Q4 2007	0	0.0	1	3.7	8	29.6	11	40.7	7	25.9	27	220,000	253,889
Q4 2006	0	0.0	0	0.0	12	52.2	6	26.1	5	21.7	23	190,000	219,783
Year-to-date 2007	0	0.0	5	7.7	22	33.8	22	33.8	16	24.6	65	210,000	226,277
Year-to-date 2006	1	1.9	5	9.4	25	47.2	14	26.4	8	15.1	53	190,000	206,827
Cornwall Town													
Q4 2007	0	0.0	0	0.0	4	57.1	1	14.3	2	28.6	7	--	--
Q4 2006	0	0.0	0	0.0	1	33.3	2	66.7	0	0.0	3	--	--
Year-to-date 2007	0	0.0	6	18.8	12	37.5	9	28.1	5	15.6	32	190,000	191,375
Year-to-date 2006	0	0.0	1	8.3	5	41.7	4	33.3	2	16.7	12	197,500	200,417
Remainder of the CA													
Q4 2007	2	5.0	16	40.0	8	20.0	8	20.0	6	15.0	40	157,500	178,402
Q4 2006	0	0.0	18	41.9	10	23.3	9	20.9	6	14.0	43	165,000	179,302
Year-to-date 2007	4	4.7	32	37.2	27	31.4	13	15.1	10	11.6	86	165,000	173,175
Year-to-date 2006	4	4.7	31	36.5	24	28.2	14	16.5	12	14.1	85	160,000	174,941
Charlottetown CA													
Q4 2007	5	4.5	26	23.2	35	31.3	25	22.3	21	18.8	112	185,000	198,902
Q4 2006	0	0.0	24	22.9	43	41.0	20	19.0	18	17.1	105	185,000	192,667
Year-to-date 2007	7	2.5	61	22.2	107	38.9	53	19.3	47	17.1	275	180,000	192,477
Year-to-date 2006	6	2.2	61	22.5	115	42.4	46	17.0	43	15.9	271	175,000	186,774

Source: CMHC (Market Absorption Survey)

Table 5: MLS® Residential Activity in Urban Centres*

Submarket	Fourth Quarter 2007			Fourth Quarter 2006			% Change		
	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings
Charlottetown CA**	103	152,914	155	110	152,480	144	-6.4%	0.3%	7.6%
District 4	31	173,715	63	46	159,684	55	-32.6%	8.8%	14.5%
District 5	28	142,468	33	24	152,309	28	16.7%	-6.5%	17.9%
District 6	25	132,312	24	17	110,109	25	47.1%	20.2%	-4.0%
District 7	19	161,479	35	23	169,570	36	-17.4%	-4.8%	-2.8%
Summerside CA	39	120,775	62	36	136,981	54	8.3%	-11.8%	14.8%
Total	142	144,088	217	146	148,659	198	-2.7%	-3.1%	9.6%

Submarket	Year-to-date 2008			Year-to-date 2007			% Change		
	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings
Charlottetown CA**	658	166,431	817	634	153,549	970	3.8%	8.4%	-15.8%
District 4	218	173,564	283	247	158,802	382	-11.7%	9.3%	-25.9%
District 5	138	138,005	169	152	134,605	210	-9.2%	2.5%	-19.5%
District 6	120	144,120	131	98	124,428	155	22.4%	15.8%	-15.5%
District 7	182	194,151	234	137	185,927	223	32.8%	4.4%	4.9%
Summerside CA	252	115,838	361	212	119,473	384	18.9%	-3.0%	-6.0%
Total	910	152,421	1178	846	145,010	1354	7.6%	5.1%	-13.0%

MLS® is a registered trademark of the Canadian Real Estate Association (CREA).
**District 4: Charlottetown City, Spring Park & West Royalty
**District 5: Sherwood, Parkdale, East Royalty & Hillsborough Parks
**District 6: Cornwall, North River & Winsloe
**District 7: Bunbury, Southport, Crossroads, Keppoch, Kinlock, Tea Hill, Alexandra to Cherry Valley

Source: PEI Real Estate Association

Table 6: Economic Indicators
Fourth Quarter 2007

		Interest Rates			NHPI, Total, Charlottetown CMA 1997=100	CPI, 1992 =100	Prince Edward Island Labour Market			
		P & I Per $100,000	Mortage Rates (%)				Employment SA (,000)	Unemployment Rate (%) SA	Participation Rate (%) SA	Average Weekly Earnings ($) (P.E.I.)
			1 Yr. Term	5 Yr. Term						
2006	January	658	5.80	6.30	113.9	109.7	68.3	10.8	68.4	
	February	667	5.85	6.45	113.5	110.2	68.7	11.0	68.9	565
	March	667	6.05	6.45	115.4	109.9	67.5	12.5	69.0	573
	April	685	6.25	6.75	115.4	111.4	69.1	11.0	69.3	580
	May	685	6.25	6.75	116.9	112.0	69.9	10.2	69.4	585
	June	697	6.60	6.95	116.9	111.7	68.6	10.7	68.4	580
	July	697	6.60	6.95	117.5	111.8	68.3	11.2	68.3	574
	August	691	6.40	6.85	117.6	112.1	68.5	10.9	68.4	570
	September	682	6.40	6.70	117.4	111.1	68.7	10.5	68.3	572
	October	688	6.40	6.80	117.3	110.4	67.8	11.3	67.9	582
	November	673	6.40	6.55	118.0	110.7	69.0	11.0	68.8	594
	December	667	6.30	6.45	118.0	111.1	68.7	12.1	69.4	599
2007	January	679	6.50	6.65	117.8	111.0	70	10.5	69.5	597
	February	679	6.50	6.65	117.8	111.5	69.9	10.3	69.1	595
	March	669	6.40	6.49	117.7	112.8	69.9	10.4	69.1	595
	April	678	6.60	6.64	117.1	113.1	70.0	9.7	68.6	596
	May	709	6.85	7.14	117.8	113.6	69.0	10.2	68.0	596
	June	715	7.05	7.24	117.8	113.5	69.1	10.5	68.1	599
	July	715	7.05	7.24	117.8	113.4	68.8	10.5	67.7	591
	August	715	7.05	7.24	117.8	113.3	69.0	10.4	67.8	584
	September	712	7.05	7.19	118.1	113.7	69.2	10.6	68.2	581
	October	728	7.25	7.44	118.1	113.8	70.1	8.8	67.6	590
	November	725	7.20	7.39	119.1	114.0	68.2	11.4	67.7	600
	December	734	7.35	7.54		114.3	69.2	10.7	68.1	610

"P & I" means Principal and Interest (assumes $ 100,000 mortgage amortized over 25 years using current 5 year interest rate)
"NHPI" means New Housing Price Index
"CPI" means Consumer Price Index
"SA" means Seasonally Adjusted

Source: CMHC, adapted from Statistics Canada (CANSIM), CREA (MLS®), Statistics Canada (CANSIM)

METHODOLOGY

Starts & Completions Survey Methodology

The Starts and Completions Survey is conducted by way of site visits which are used to confirm that new units have reached set stages in the construction process. Since most municipalities in the country issue building permits, these are used as an indication of where construction is likely to take place. In areas where there are no permits, reliance has to be placed either on local sources or searching procedures.

The Starts and Completions Survey is carried out monthly in urban areas with population in excess of 50,000, as defined by the 2001 Census. In urban areas with populations of 10,000 to 49,999, all Starts are enumerated in the last month of the quarter (i.e. four times a year, in March, June, September and December). In these centres with quarterly enumeration, Completion activity is modelled based on historical patterns. Monthly Starts and Completions activity in these quarterly locations are statistically estimated at a provincial level for single and multi categories. Centres with populations below 10,000 are enumerated on a sample basis, also in the last month of each quarter (i.e. four times a year, in March, June, September and December).

The Starts and Completions Survey enumerates dwelling units in new structures only, designed for non-transient and year-round occupancy.

Mobile homes are included in the surveys. A mobile home is a type of manufactured house that is completely assembled in a factory and then moved to a foundation before it is occupied.

Trailers or any other movable dwelling (the larger often referred to as a mobile home) with no permanent foundation are excluded from the survey.

Conversions and/or alterations within an existing structure are excluded from the surveys as are seasonal dwellings, such as: summer cottages, hunting and ski cabins, trailers and boat houses; and hostel accommodations, such as: hospitals, nursing homes, penal institutions, convents, monasteries, military and industrial camps, and collective types of accommodation such as: hotels, clubs, and lodging homes.

Market Absorption Survey Methodology

The Market Absorption Survey is carried out in conjunction with the Starts and Completions Survey in urban areas with populations in excess of 50,000. When a structure is recorded as completed, an update is also made as units are sold or rented. The dwellings are then enumerated each month until such time as full absorption occurs.

STARTS AND COMPLETIONS SURVEY AND MARKET ABSORPTION SURVEY DEFINITIONS

A "**dwelling unit**", for purposes of the Starts and Completions Survey, is defined as a structurally separate set of self-contained living premises with a private entrance from outside the building or from a common hall, lobby, or stairway inside the building. Such an entrance must be one that can be used without passing through another separate dwelling unit.

A "**start**", for purposes of the Starts and Completions Survey, is defined as the beginning of construction work on a building, usually when the concrete has been poured for the whole of the footing around the structure, or an equivalent stage where a basement will not be part of the structure.

The number of units "**under construction**" as at the end of the period shown, takes into account certain adjustments which are necessary for various reasons. For example, after a start on a dwelling has commenced construction may cease, or a structure, when completed, may contain more or fewer dwelling units than were reported at start.

A "**completion**", for purposes of the Starts and Completions Survey, is defined as the stage at which all the proposed construction work on a dwelling unit has been performed, although under some circumstances a dwelling may be counted as completed where up to 10 per cent of the proposed work remains to be done.

The term "**absorbed**" means that a housing unit is no longer on the market (i.e. has been sold or rented). This usually happens when a binding contract is secured by a non-refundable deposit and has been signed by a qualified purchaser. The purpose of the Market Absorption Survey is to measure the rate at which units are sold or rented after they are completed, as well as collect prices.

DWELLING TYPES:

A "**Single-Detached**" dwelling (also referred to as "**Single**") is a building containing only one dwelling unit, which is completely separated on all sides from any other dwelling or structure. Includes link homes, where two units may share a common basement wall but are separated above grade. Also includes cluster-single developments.

A "**Semi-Detached (Double)**" dwelling (also referred to as "**Semi**") is one of two dwellings located side-by-side in a building, adjoining no other structure and separated by a common or party wall extending from ground to roof.

A "**Row (Townhouse)**" dwelling is a one family dwelling unit in a row of three or more attached dwellings separated by a common or party wall extending from ground to roof.

The term "**Apartment and other**" includes all dwellings other than those described above, including structures commonly known as stacked townhouses, duplexes, triplexes, double duplexes and row duplexes.

INTENDED MARKET:

The "**intended market**" is the tenure in which the unit is being marketed. This includes the following categories:

Freehold: A residence where the owner owns the dwelling and lot outright.

Condominium (including Strata-Titled): An individual dwelling which is privately owned, but where the building and/or the land are collectively owned by all dwelling unit owners. A condominium is a form of ownership rather than a type of house.

Rental: Dwelling constructed for rental purposes regardless of who finances the structure.

GEOGRAPHICAL TERMS:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree on integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

A "**Rural**" area, for the purposes of this publication, is a centre with a population less than 10,000.

All data presented in this publication is based on Statistics Canada's 2001 Census area definitions.

CMHC—HOME TO CANADIANS

Canada Mortgage and Housing Corporation (CMHC) has been Canada's national housing agency for more than 60 years.

Together with other housing stakeholders, we help ensure that the Canadian housing system remains one of the best in the world. We are committed to helping Canadians access a wide choice of quality, environmentally sustainable and affordable homes – homes that will continue to create vibrant and healthy communities and cities across the country.

For more information, visit our website at www.cmhc.ca

You can also reach us by phone at 1-800-668-2642 or by fax at 1-800-245-9274.
Outside Canada call 613-748-2003 or fax to 613-748-2016.

Canada Mortgage and Housing Corporation supports the Government of Canada policy on access to information for people with disabilities. If you wish to obtain this publication in alternative formats, call 1-800-668-2642.

The Market Analysis Centre's (MAC) electronic suite of national standardized products is now available for free on CMHC's website. You can now view, print, download or subscribe to future editions and get market information e-mailed automatically to you the same day it is released. It's quick and convenient! Go to www.cmhc.ca/housingmarketinformation

For more information on MAC and the wealth of housing market information available to you, visit us today at www.cmhc.ca/housingmarketinformation

To subscribe to priced, printed editions of MAC publications, call 1 800 668-2642.

©2008 Canada Mortgage and Housing Corporation. All rights reserved. CMHC grants reasonable rights of use of this publication's content solely for personal, corporate or public policy research, and educational purposes. This permission consists of the right to use the content for general reference purposes in written analyses and in the reporting of results, conclusions, and forecasts including the citation of limited amounts of supporting data extracted from this publication. Reasonable and limited rights of use are also permitted in commercial publications subject to the above criteria, and CMHC's right to request that such use be discontinued for any reason.

Any use of the publication's content must include the source of the information, including statistical data, acknowledged as follows:

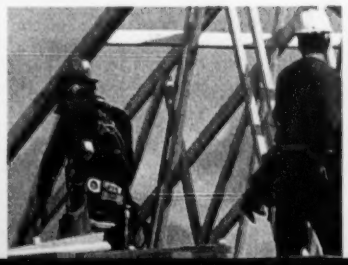
Source: CMHC (or "Adapted from CMHC," if appropriate), name of product, year and date of publication issue.

Other than as outlined above, the content of the publication cannot be reproduced or transmitted to any person or, if acquired by an organization, to users outside the organization. Placing the publication, in whole or part, on a website accessible to the public or on any website accessible to persons not directly employed by the organization is not permitted. To use the content of any CMHC Market Analysis publication for any purpose other than the general reference purposes set out above or to request permission to reproduce large portions of, or entire CMHC Market Analysis publications, please contact: the Canadian Housing Information Centre (CHIC) at mailto:chic@cmhc.gc.ca; (613) 748-2367 or 1 800 668-2642.

For permission, please provide CHIC with the following information:
Publication's name, year and date of issue.

Without limiting the generality of the foregoing, no portion of the content may be translated from English or French into any other language without the prior written permission of Canada Mortgage and Housing Corporation.

The information, analyses and opinions contained in this publication are based on various sources believed to be reliable, but their accuracy cannot be guaranteed. The information, analyses and opinions shall not be taken as representations for which Canada Mortgage and Housing Corporation or any of its employees shall incur responsibility.



NEW MARKET ANALYSIS REPORTS

Subscribe Now!

December 2007

- Enhanced coverage of the secondary rental market
  - Rental Market Reports – Major Centres — Subscribe

June 2007

- Spring Rental Market Survey Results
  - Rental Market Report – Canada and Provincial Highlights — Subscribe
  - Rental Market Statistics — Subscribe
- Renovation and Home Purchase Report — Subscribe

May 2007

- Housing Market Outlook – Canada and Regional Highlights Reports — Subscribe
- Northern Housing Outlook Report — Subscribe

Throughout 2007

- Coverage of additional centres: — More

- Abbotsford **- Barrie**
- Kingston **- Guelph**
- Peterborough **- Brantford**

Find out More!

CMHC has enhanced its suite of surveys and analytical reports to better serve you. Visit www.cmhc.ca/housingmarketinformation regularly to find out more about our product updates and to subscribe to our FREE electronic reports.

64195_2008_Q01